

ment of such part shall not be treated as a termination of such collective bargaining agreement.

(4) **TIMELY REGULATIONS.**—The Secretary of Labor, consistent with section 104, shall first issue by not later than April 1, 1997, such regulations as may be necessary to carry out the amendments made by this section.

(5) **LIMITATION ON ACTIONS.**—No enforcement action shall be taken, pursuant to the amendments made by this section, against a group health plan or health insurance issuer with respect to a violation of a requirement imposed by such amendments before January 1, 1998, or, if later, the date of issuance of regulations referred to in paragraph (4), if the plan or issuer has sought to comply in good faith with such requirements.

SEC. 102. THROUGH THE **PUBLIC HEALTH SERVICE ACT.**

(a) **IN GENERAL.**—The Public Health Service Act is amended by adding at the end the following new title:

**"TITLE XXVII—ASSURING
PORTABILITY,
AVAILABILITY, AND
RENEWABILITY
OF HEALTH INSURANCE
COVERAGE**

"PART A—GROUP MARKET REFORMS

"Subpart 1—Portability, Access, and Renewability Requirements

**"SEC. 2701. INCREASED PORTABILITY THROUGH LIMITATION ON
42 USC 300gg.**

PREEXISTING CONDITION EXCLUSIONS.

**"(a) LIMITATION ON PREEXISTING CONDITION EXCLUSION
PERIOD:**

CREDITING FOR PERIODS OF PREVIOUS COVERAGE.—
Subject to subsection (d), a group health plan, and a health insurance issuer offering group health insurance coverage, may, with respect to a participant or beneficiary, impose a preexisting condition exclusion only if—

"(1) such exclusion relates to a condition (whether physical or mental), regardless of the cause of the condition, for which medical advice, diagnosis, care, or treatment was recommended or received within the 6-month period ending on the enrollment date;

"(2) such exclusion extends for a period of not more than 12 months (or 18 months in the case of a late enrollee) after the enrollment date; and

"(3) the period of any such preexisting condition exclusion is reduced by the aggregate of the periods of creditable coverage

(if any, as defined in subsection (c)(1)) applicable to the participant or beneficiary as of the enrollment date.

"(b) DEFINITIONS.—For purposes of this part—

"(1) PREEXISTING CONDITION EXCLUSION—

"(A) IN GENERAL.—The term **preexisting**

condition
exclusion* means, with respect to coverage, a
limitation
or exclusion of benefits relating to a
condition based on
the fact that the condition was present
before the date
of enrollment for such coverage, whether or not
any medical
advice, diagnosis, care, or treatment was
recommended
or received before such date.